

**Submission
No 2**

INQUIRY INTO REGIONAL PLANNING PROCESSES IN NSW

Organisation: Bathurst Regional Council

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23 November 2015

The Director
Standing Committee on State Development
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Sir/Madam

Inquiry into regional planning processes in NSW

Please find **enclosed** Council's submission in relation to the abovementioned inquiry.

In Council's view critical issues with respect to regional planning processes in NSW include:

- Need to move away from a one-size-fits-all approach to plan/policy making.
- Assist local government in funding strategic planning.
- Maintain, resource and reinforce the role of the regional offices of the NSW Department of Planning & Environment and give them autonomy to make decisions affecting regional locations.
- Greater participation by local government and the regional offices of the NSW Department of Planning & Environment in state level policy and plan making.
- Greater consideration and funding at state level for local infrastructure that will have regional benefits.
- Preparation of regional growth plans that are not politicised and represent the growth and infrastructure needs of a region whether or not a commitment to funding is currently available.

If you have any queries please contact me

Yours faithfully

J E Bingham
ACTING DIRECTOR
ENVIRONMENTAL, PLANNING & BUILDING SERVICES

Bathurst Regional Council Submission Inquiry into Regional Planning Processes in NSW

1. Opportunities to stimulate regional development under the planning framework including legislation, policy, strategy and governance.

Bathurst Regional Council has invested considerable resources in developing detailed landuse planning strategies (Bathurst Region Urban and Rural Strategies) to guide the future growth of the Bathurst Region from a landuse planning perspective. Implementation of those strategies was time consuming and difficult to achieve under the NSW Government's one size fits all standard instrument LEP which hindered planning solutions for the Bathurst Region. In particular the inability to add landuse definitions made it difficult to achieve appropriate planning outcomes for the Mount Panorama precinct.

Good strategic planning at the local level remains paramount to stimulating development regionally. This does not need to be legislated. Funding support to local government for strategy development is critical. Additional governance outside of existing local government is not required. Participation by state agencies is critical, so that state agency constraints/issues to regional development are identified early. Delivery could be made simpler by removing barriers such as the government's one size fits all approach to local and state plans.

Good strategic planning at regional and state level is also important. The Regional Growth Plan process is currently underway for the Central West Region. If viewed in a manner similar to the local government Community Strategic Plans, the regional growth plan could provide an overarching blueprint for each region. Unfortunately this is unlikely to be achieved and the final product is unlikely to reflect the value of stakeholder input that has been made.

Council's participation at a planning level on the technical group advising the regional plan's preparation has been welcomed. Engagement and communication of planners in the region ensures we understand the issues of the wider region and how they might impact on planning at the local level.

Of considerable concern is the very likelihood that the Regional Growth Plan will not reflect the values and aspirations of those who have participated in its development. What is missing from the process is a commitment from the state agencies to participate and a commitment for state funding of new infrastructure in particular. It appears likely that the plan will only address those issues of interest to or likely to receive funding commitment by the State. The outcome is likely to be disappointing at no fault to Department of Planning staff who have sought to engage with local government in a meaningful way.

A regional level growth plan, akin to the Community Strategic Plan, that accurately reflects the aspirations of the region is required. The plan should lead ongoing regional cooperation between local government areas so that opportunities that arise in one location can be shared by others and infrastructure development is not duplicated or reduced across the region. State government commitment to the whole plan is critical, notwithstanding funding limitations.

A big picture plan for big picture infrastructure (e.g. Bells Line Expressway) and a commitment to that plan is required.

Inadequate state level policy and plans continue to constrain local and regional level decision making by local government, including, but not limited to, rural land use policy, seniors and affordable housing and the Codes SEPP. Greater participation of local government and the Department of Planning's regional offices is needed in state level policy and plan making to make it relevant to regional NSW.

2. Constraints to regional development imposed by the planning framework and opportunities for the framework to better respond to regional planning issues.

It is considered that the most serious constraint to regional development under the current planning framework is the State Government's one size fits all approach to plan making, with mandated planning controls. What is relevant to metropolitan areas is not necessarily relevant to regional and rural locations.

The Codes SEPP is used as an example. Bathurst LGA is unique in that it has been permitted to operate local exempt and complying development provisions in parallel to the State Codes SEPP. Under the Bathurst Regional LEP 2014 exempt and complying development provisions it is estimated that one third of development activity is able to be dealt with as exempt development and some 80% of new dwellings are approved as complying development. On the two occasions when the local Bathurst provisions were switched off by the Codes SEPP virtually no complying development was approved and considerable exempt development was lost. Thus under the Codes SEPP approval times and the cost of development increased in the Bathurst region. Under local provisions approval times and costs of development have been reduced.

In this regard the State government policy development/plan making would be better implemented using a "tool box" approach for councils to choose from as may be relevant to their local area or to set a minimum bench mark with councils able to go beyond that benchmark if appropriate, based on their own community consultation.

Critical to state government policy/plan making is greater participation by local government and state government regional offices. In Bathurst Regional Council's experience metropolitan based staff in the Department of Planning have an inadequate grasp on regional issues and ways in which the planning framework can impact adversely on regional development. Regional based offices must be retained, adequately resourced and given the autonomy to make decisions affecting regional locations.

3. The suitability of a stand alone regional planning Act

A stand alone regional planning Act is not required. What is required is a move away from a one-size-fits all approach (and mandated controls) to plan making. Plan making should be led at the local level and by regionally based state agencies. Again the Bathurst example for exempt and complying development is relevant. Individual councils are in a far better position to determine the sentiment of their community and identify appropriate planning responses.

A regional one size fits all approach would be better than a state approach but would still be limited by local differences. Regional planning should be led by the Department's regional offices who are critical to the Departments understanding of the differences in regional and metropolitan areas.

4. The effectiveness of environmental planning instruments including State Environmental Planning Policies and Local Environmental Plans (including zoning) to stimulate regional development and opportunities to improve their effectiveness.

Again the biggest constraint to regional development is the one size fits all approach to plan making. Bathurst Regional Council has made a commitment to turn around complying development applications for new dwellings under its LEP provisions within 24 hours of receipt. The Council was achieving that outcome until the government introduced regulatory change requiring 14 days pre assessment notification of the CDC. The notification process itself is incredulous given that an application that complied must be approved. The 14 days increased the turnaround time from 1 day to 15 days. Increasing approval times for no public benefit will not stimulate regional development. The government has since removed the notification requirement and Council is again turning around CDCs in 24 hours.

Plan and policy making must account for differences in regional and metropolitan areas – not just in terms of planning outcomes but also in terms of community sentiment.

The standard instrument LEP has posed barriers to good planning that would assist regional development. The definition of bulky goods is a case in point. Council's Retail Strategy recommended that Council adopt a definition for bulky goods similar to that which has been adopted by the Victorian planning system as this definition would best suit Bathurst's retail system. Notwithstanding Council's representations to the Government it was unable to implement that definition under the standard instrument LEP and that has placed challenges on the development of new bulky goods precincts within the City.

The plethora of State Environmental Planning Policies (SEPPs) is also difficult to navigate. Of considerable concern is that their provisions often inappropriately override local plans developed based on local knowledge and community consultation. SEPP Seniors Living and SEPP Affordable Housing, for example, both permit the intensification of residential development within the Mount Panorama precinct contrary to the provisions of the local plan.

Regional development will be stimulated by plan making at the local level supported by regional policy prepared and understood by the Department's regional planning offices.

5. Opportunities to increase delegations for regional councils in regard to the plan making processes.

Delegation of plan making processes to the Department's regional offices and to councils has recently been improved and has sped up the plan making process. In particular gateway determinations made at the regional office level have substantially improved the LEP plan making timeframe.

The impediment to effective plan making is not so much delegations to councils but rather the ability for councils to lead local planning and not to be bound by barriers imposed by the standard instrument LEP and various SEPPs.

6. Opportunities for strategic planning to assist in responding to challenges faced by communities in regional areas including through Regional Plans.

Local strategic planning seeks to respond to the challenges facing communities in regional areas in a form compatible with their sentiment. Local strategic planning is ineffective if it is not translated into regional and state level plans and policies. Nor is it effective if its implementation is hampered by a one size fits all approach that does not respond to local and regional variations.

7. Opportunities for government led incentives that promote regional development.

Government led incentives that will have the greatest impact on regional development will be the funding of local and regionally significant infrastructure. For example a local bypass road for Bathurst would not only significantly benefit the local Bathurst community but would also impact regionally on those centres beyond Bathurst. Local government does not have the funding to provide this type of infrastructure without significant State and/or Federal assistance.

Government should consider the local infrastructure requirements outlined in council community strategic plans as part of a wider consideration of infrastructure development funding that could have regional benefits. The costs of servicing new development are the same if not higher in regional areas as compared to the metropolitan situation, yet the returns on investment are significantly lower. Investment in local infrastructure by the state government is needed to deliver housing in regional areas on a level playing field.

Critical to regional development is regionally based state government representation especially in relation to the NSW Department of Planning and Environment. Decentralisation of all government functions and delegations to regional locations is critical to supporting regional development. Resourcing regionally based state agencies is important particularly for strategic development and implementation. Delegation of powers to regionally based state agencies (and to local government) is critical to faster development and plan making decisions.

8. Pathways to improve decision making processes for regional development proposals, including increasing the use of complying development, improving negotiation processes for voluntary planning agreements, and reducing costs associated with assessment.

As mentioned earlier, the ability for councils to provide their own local complying and exempt development provisions is critical to improving the fast tracking of the bulk of local decision making processes in regional and rural locations. This is proved by the current Bathurst situation where virtually no complying development was achieved when only the Codes SEPP applied as compared to some 80% of dwellings approved as complying development under the Council's local provisions. Council turns around complying development approvals for new dwellings in 24 hours.

The JRPP remains a useful mechanism for improving decision making for large scale developments. Importantly it removes the potential for the politicisation of larger scale decision making. Delays in the JRPP being able to meet and deal with matters adversely impacts on regional development.

The Urban Release certification process required now under the LEP to enable certification for state infrastructure contribution funding has significantly slowed the development process in terms of new residential subdivision release. As an example Council sought such certification at the beginning of the year for the Kelso Urban Expansion area and such certification has not yet been received. Whilst this process is very relevant in metropolitan areas it is less so in regional areas where land release is much smaller in scale.

9. Any other matter

Nil.